

SENATE BILL 112

By Gardenhire

AN ACT to amend Tennessee Code Annotated, Title 55,  
Chapter 3, relative to liens.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 55-3-114(c), is amended by deleting the following language:

The lienor shall then deliver the certificate of title to the owner within seven (7) business days from the owner's request, unless the certificate of title shall show on its face one (1) or more liens or encumbrances still outstanding, in which event the certificate of title shall be delivered to the next prior lienor, either in person or by registered mail, and the lienor shall within seventy-two (72) hours notify the department of the discharge of this lien by registered mail with return receipt demanded.

and substituting instead the following:

If the certificate of title shows on its face one (1) or more liens or encumbrances still outstanding, then the lienor shall deliver the certificate of title to the next prior lienor, either in person or by registered mail. If there are no more liens or encumbrances still outstanding, then the lienor shall deliver the certificate of title to the owner within seven (7) business days from the discharge of the lien or encumbrance. On the date the lien is discharged, the lienor shall send notice of the discharge to the department by registered mail with return receipt demanded. If the department is not notified within seventy-two (72) hours from the date of discharge, then the lienor is subject to the penalty described in § 55-3-127(c).

SECTION 2. This act takes effect July 1, 2021, the public welfare requiring it.